

PUBLIC PROTECTION CABINET
Department of Housing, Buildings and Construction
Division of Heating, Ventilation and Air Conditioning
(Amendment)

815 KAR 8:070. Installation permits.

RELATES TO: KRS 198B.654, 198B.6673, 198B.6674, 198B.6678, Chapter 236

STATUTORY AUTHORITY: KRS 198B.654, 198B.6671, 198B.6672, 198B.6673, ~~[198B.6674,]~~ 198B.6675, 198B.6676, 198B.6677, 198B.6678

NECESSITY, FUNCTION, AND CONFORMITY: KRS 198B.654 requires the department~~[Board of Heating, Ventilation and Air Conditioning Contractors]~~ to promulgate administrative regulations to administer, coordinate, and enforce~~[for the enforcement, administration and coordination of]~~ KRS 198B.650 through 198B.689. KRS 198B.6673 requires the department~~[board]~~ to establish a reasonable schedule of fees and charges to be paid for HVAC installation permits and inspections. This administrative regulation establishes the *process, procedures, fees, and charges* for obtaining HVAC installation permits in Kentucky.

Section 1. Permit Required. (1) An HVAC installation permit shall be required for the initial heating, ventilation, or air conditioning system:

- (a) For all new construction installations of heating, ventilation, or air conditioning systems;
- (b) For all construction additions in which an additional heating, ventilation, or air conditioning system is installed; and
- (c) For all existing buildings in which the first heating, ventilation, or air conditioning system is being installed.

(2) Permit application. An application shall be made for a permit prior to installation on the appropriate form:

- (a) HVAC Construction Permit Application: Commercial Buildings;
- (b) HVAC Construction Permit Application: Multi-family Dwellings;
- (c) HVAC Construction Permit Application: One & Two Family Dwellings; or
- (d) HVAC Construction Permit Application: Homeowner One & Two Family Dwellings.

Section 2. Issuance of HVAC Installation Permits. (1) A permit to construct, install, or alter a heating, ventilation, or air conditioning system shall only be issued to a licensed master heating, ventilation, and air conditioning contractor, except as provided by subsection (2)~~[subsection (3)]~~ of this section.

~~(2)[A journeyman HVAC mechanic shall not construct, install, or alter a heating, ventilation, or air conditioning system unless the work is performed under the supervision of a licensed master HVAC contractor.~~

~~(3)]~~ A permit to construct, install, or alter a heating, ventilation, or air conditioning system shall be issued to a homeowner who installs a heating, ventilation, or air conditioning system in the homeowner's legal residence or in a home constructed by a homeowner for personal residential use, if all the requirements of this subsection are met.

(a) Application for the permit shall be made on the HVAC Construction Permit Application: Homeowner One (1) & Two (2) Family Dwellings~~[, for the permit]~~ prior to the initiation of the HVAC work.

(b) The homeowner shall file with the application:

1. An affidavit stating that the homeowner shall abide by the terms of this administrative regulation;

2. Proof of adequate sizing of heating, ventilation, or air conditioning system to be installed; and

3. A complete design plan of all related duct and piping of system.

(c) All work shall be performed in compliance with the Kentucky Residential Code in 815 KAR 7:125 and the Kentucky Building Code in 815 KAR 7:120.

(d) All the work shall be personally performed by the owner.

(4) Only one (1) homeowner HVAC construction permit~~[permit for construction of a new home]~~ shall be issued to an individual within a five (5) year period. ~~[Section 2. Permit Required. (1) An application shall be made for a permit prior to installation on the:~~

~~(a) HVAC Construction Permit Application: Commercial Buildings;~~

~~(b) HVAC Construction Permit Application: Multi-family Dwellings; or~~

~~(c) HVAC Construction Permit Application: One & Two Family Dwellings.~~

~~(2) An HVAC installation permit shall be required for the initial heating, ventilation, or air conditioning system:~~

~~(a) For all new construction installations of heating, ventilation, or air conditioning systems;~~

~~(b) For construction additions in which an additional heating, ventilation, or air conditioning system is installed;~~

~~(c) For all existing buildings in which the first heating, ventilation, or air conditioning system is being installed; and~~

~~(d) For projects in which a contractor assumes responsibility to:~~

~~1. Make corrections;~~

~~2. Test an installation performed by another contractor; or~~

~~3. Install a system for which another master contractor has obtained a permit.]~~

Section 3. Issuance of HVAC Related Permits. (1) A permit shall be issued and inspections performed upon request for the replacement of:

(a)[(1)] Furnaces;

(b)[(2)] Condensing units;

(c)[(3)] Heat pumps;

(d)[(4)] Fan coil units;

(e)[(5)] Chiller systems; or

(f)[(6)] Heating boiler systems not covered by KRS Chapter 236.

(2) An HVAC correction and testing permit may be requested for projects in which a contractor assumes responsibility to:

(a) Make corrections;

(b) Test an installation performed by another contractor; or

(c) Install a system for which another master contractor has obtained a permit.

Section 4.~~[HVAC Installation]~~ Permit Fees. (1) One (1)- and Two (2)- Family Dwelling Installations and Homeowner permits. The fee for each heating, ventilation, or air conditioning system installation permit for one (1)- and two (2)- family dwellings and Homeowner permits shall be \$105 for the first system plus fifty (50) dollars for each additional system.

(2) Multi-Family Dwelling Installations. The fee for each heating, ventilation, or air conditioning system installation permit for multi-family dwellings other than duplexes, shall be \$105 for the first system plus fifty (50) dollars for each additional system.

(3) Commercial installations.

(a) The fee for each heating, ventilation, or air conditioning system installation permit other than one (1), two (2), and multi-family dwellings shall be based upon the total dollar value of each HVAC installation, either actual or estimated.

(b) 1. ~~The [It shall be the obligation of the]~~ installing contractor ~~shall[te]~~ supply the total dollar[complete] value of the installation, including labor and material costs regardless of the purchaser.

2. Except as provided in subparagraph 3b of this paragraph, an exact figure does not need to be quoted or divulged to the HVAC inspector or department.

3. The permit application shall include a statement signed by the applicant affirming that the total dollar[true] value of the installation lies within certain limits, as listed in the left column of the table in clause c of this subparagraph and as established in clause d of this subparagraph.

a. The fees for heating, ventilation, or air conditioning system installation are listed in the right column of the table.

b. The department may request documented proof of costs from the permit applicant if the true value is in question.

c. The permit fee shall be calculated as follows:

Amount in dollars	Permit fee
\$2,000 or less	\$125
\$2,001 to \$10,000	\$180
\$10,001 to \$25,000	\$270
\$25,001 to \$50,000	\$330
\$50,001 to \$75,000	\$390
\$75,001 to \$100,000	\$500
\$100,001 to \$150,000	\$630
\$150,001 to \$200,000	\$760
\$200,001 to \$250,000	\$885
\$250,001 to \$300,000	\$1,025
\$300,001 to \$400,000	\$1,150
\$400,001 to \$500,000	\$1,500
\$500,001 to \$600,000	\$1,725
\$600,001 to \$700,000	\$1,900
\$700,001 to \$800,000	\$2,125
\$800,001 to \$900,000	\$2,355
\$900,001 to \$1,000,000	\$2,590
\$1,000,001 to \$1,100,000	\$2,820
\$1,100,001 to \$1,200,000	\$3,050
\$1,200,001 to \$1,300,000	\$3,280
\$1,300,001 to \$1,400,000	\$3,510
\$1,400,001 to \$1,500,000	\$3,735
\$1,500,001 to \$1,600,000	\$3,965

d. The permit for a commercial installation valued over \$1,600,000 shall be calculated at the cost of \$3,965 plus \$200 per \$100,000 or fraction thereof in excess of \$1,600,000.

(4) Request permit fees. (a) One (1) and two (2) family dwelling and homeowner. A permit request pursuant to Section 3(1) of this administrative regulation for a one or two family dwelling, or by a homeowner shall be seventy-five (75) dollars.

(b) Commercial. The fee for a permit requested pursuant to Section 3(1) of this administrative regulation for a commercial project shall be calculated the same as subsection (3) of this section.

(5) Correction and Testing Permits. The correction and testing permit fee shall be [the base fee of] seventy-five (75) dollars if [the] application for a permit does not include any new installation[, but is to make corrections or provide testing for an installation made by someone else].

Section 5. Inspection Fees. (1) Each heating, ventilation, or air conditioning system permit shall include three (3) heating, ventilation, or air conditioning system inspections at no additional cost.

(2)(a) A heating, ventilation, or air conditioning system inspection in excess of the three (3) provided with purchase of permit shall be performed at the rate of fifty (50) dollars per inspection.

(b) Payment shall be received by the inspecting authority prior to the final inspection approval being granted.

Section 6. Expiration of Permits. (1) A heating, ventilation, or air conditioning system installation permit issued under this administrative regulation shall expire six (6) months after the date of issuance unless the permitted work has begun.

(2) If construction begins within six (6) months of permit issuance:

(a) The permit shall be effective until completion of the planned heating, ventilation, or air conditioning system inspection; or

(b) If the work ceases on a permitted project for a period exceeding twelve (12) months, the permit shall be void.

Section 7. Incorporation by Reference. (1) The following material is incorporated by reference:

(a)[~~HVAC-27,~~] "HVAC Construction Permit Application: Commercial Buildings", Form HVAC 27, April 2018~~[September 2014];~~

(b)[~~HVAC-28,~~] "HVAC Construction Permit Application: Multi-family Dwellings", Form HVAC 28, April 2018~~;~~[September 2014]; and]

(c)[~~HVAC-29,~~] "HVAC Construction Permit Application: One (1) & Two (2) Family Dwellings", Form HVAC 29, April 2018~~; and [September 2014]~~

(d) "HVAC Construction Permit Application: Homeowner One (1) & Two (2) Family Dwellings", Form HVAC 30, April 2018.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the~~[Kentucky]~~ Department of Housing, Buildings, and Construction, Division of Heating, Ventilation, and Air Conditioning, 101 Sea Hero Road, Suite 100, Frankfort, Kentucky 40601-5412, Monday through Friday, 8:30 a.m. to 4:30 p.m.

STEVEN A. MILBY, Commissioner

DAVID A. DICKERSON, Secretary

APPROVED BY AGENCY: April 12, 2018

FILED WITH LRC: April 13, 2018 at 9 a.m.

PUBLIC HEARING AND PUBLIC COMMENT PERIOD: A public hearing on this administrative regulation shall be held on May 22, 2018, at 9:00 a.m., EDT, in the Department of Housing, Buildings and Construction, 101 Sea Hero Road, Suite 100, Frankfort, Kentucky. Individuals interested in being heard at this hearing shall notify this agency in writing by five working days prior to the hearing of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. The hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments regarding this administrative regulation shall be accepted if received until 11:59 p.m. on May 31,

2018. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation by the above date to the contact person:

CONTACT PERSON: David R. Startzman, General Counsel, Department of Housing, Buildings and Construction, 101 Sea Hero Road, Suite 100, Frankfort, Kentucky 40601-5412, phone 502-573-0365, fax 502-573-1057, email david.startzman@ky.gov.

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Contact person: David R. Startzman

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes the process and fees for obtaining HVAC permits.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to establish the procedure for issuing HVAC permits, as set forth in KRS 198B.6671.

(c) How this administrative regulation conforms to the content of the authorizing statutes: This administrative regulation fulfills KRS 198B.654(1) requirements that the department promulgate administrative regulations to administer, coordinate, and enforce the provisions of KRS 198B.650 to 198B.689. This administrative regulation further conforms with the permitting requirements of KRS 198B.6671, the prohibitions in KRS 198B.6672, and the establishment of fees in KRS 198B.6673.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This regulation establishes the standards applicable to those seeking to obtain HVAC permits, and sets forth how the HVAC permits will be issued and administered.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This amendment updates and clarifies the permitting process and changes the permit application forms. This amendment also reorganizes the administrative regulation and fixes grammatical and technical errors.

(b) The necessity of the amendment to this administrative regulation: This amendment is necessary to update, clarify, and streamline the permitting process and the forms incorporated into the regulation.

(c) How the amendment conforms to the content of the authorizing statutes: This amendment is authorized by KRS 198B.654(1)'s grant of authority to regulate the Commonwealth's HVAC industry.

(d) How the amendment will assist in the effective administration of the statutes: This amendment updates and clarifies HVAC permitting requirements and forms to make them more user friendly and easier for the HVAC Division to process.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: All individuals seeking a HVAC permit, and the HVAC Division will be affected.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to comply with this administrative regulation or amendment: HVAC permit seekers will be required to complete updated forms when seeking installation, component, or correction and testing permits.

(b) In complying with this administrative regulation or amendment, how much will it cost

each of the entities identified in question (3): These amendments will not impose any additional costs on any of the regulated entities identified in question (3).

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): Applicants will have use of application forms that are easier to read and understand, as well as easier to process for the HVAC Division.

(5) Provide an estimate of how much it will cost to implement this administrative regulation:

(a) Initially: There are no anticipated initial costs to administer these regulatory amendments.

(b) On a continuing basis: There are no anticipated additional continuing costs to administer these regulatory amendments.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: Implementation of these amendments is anticipated to result in no additional costs to the agency. Any agency costs resulting from these administrative amendments will be met with existing agency funds.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: This amendment will not necessitate an increase in fees or require funding to the Department for implementation.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: There are no fees directly or indirectly increased by this administrative regulation amendment.

(9) TIERING: Is tiering applied? Tiering is not applied as all heating, ventilation, and air conditioning operations will be subject to the amended requirements.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

1. What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Department of Housing, Buildings and Construction, Division of Heating, Ventilation and Air Conditioning.

2. Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. The amendments are authorized by KRS 198B.654.

3. Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? These amendments are not anticipated to generate additional revenue for state or local government for the first year.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? These amendments are not anticipated to generate additional revenue for state or local government for subsequent years.

(c) How much will it cost to administer this program for the first year? There are no anticipated additional costs to administer these regulatory amendments.

(d) How much will it cost to administer this program for subsequent years? There are no anticipated additional costs to administer these regulatory amendments.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain

the fiscal impact of the administrative regulation.

Revenues (+/-): Neutral

Expenditures (+/-): Neutral

Other Explanation: None